

Regulatory Story

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Hightex Group plc

("Hightex" or "the Group")

Preliminary Unaudited Results for the Year Ended 31 December 2009

Hightex Group plc (AIM:HTIG), a leading designer and installer of large membrane roofs and façades worldwide, announces its Preliminary Unaudited Results for the year ended 31 December 2009.

Financial Highlights:

- Turnover up 23.5% to €20.0 million (2008: €16.2 million)
- Gross profit up 100% to €4.2 million (2008: €2.1 million)
- Maiden pre-tax profit of €0.8 million (2008: loss of €3.1 million)
- Profit before exceptional and non-recurring items of €1.1 million (2008: loss of €2.8 million)
- Completion of two successful placings raising £3.6 million (€4 million)
- All of Hightex's Nominated Broker's 2010 forecasted revenues and 37.5% of 2011 forecasted revenues already secured

Operational Highlights:

- Completion of Wimbledon Court Centre Court retractable roof contract
- Completion of the 2010 FIFA World Cup Stadiums in Johannesburg and Cape Town
- Completion of Munich Olympic Hall contract
- Awarded contracts for iconic stadiums in Warsaw, Kiev & Vancouver totalling approximately €45.3 million

Charles DesForges, Executive Chairman, commented:

"2009 has been a very pleasing year for Hightex. We have completed world class projects, returned to profitability and won significant contracts that give the Group a record order book. We remain confident about maintaining this momentum and look to the future with optimism."

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Chairman's statement

Introduction

2009 saw Hightex Group plc successfully complete the turnaround of the membrane business. With that phase

now completed, the Directors see the chief focus for the current financial year and beyond as delivering further profitable growth of the business as we maintain our position as a global leader in the design and installation of large area architectural tensile and pneumatic polymer membrane structures.

Commentary on 2009 results

I am pleased to report that in the year ended 31 December 2009, Hightex increased turnover significantly to €20.0 million (2008: €16.2 million), an increase of 23.5%. I am also delighted to report a maiden profit before tax (before non-recurring and extraordinary items, described below) of €0.8 million (2008: loss of €3.1 million), equivalent to an adjusted 2009 profit before tax (after non-recurring and extraordinary items) of €1.1 million.

Revenues were earned from several globally recognised projects also completed in 2009 including the membrane element of the new retractable roof over the Centre Court at Wimbledon; the roof over the Dolce Vita Shopping Mall at Lisbon, Portugal; and the inner membrane roof over the Munich Olympic Hall, a contract begun in February 2009 and largely completed before the end of the year. Hightex also completed the Cape Town Stadium and the FNB Stadium in Johannesburg, both of which will be seen by hundreds of millions globally this summer as South Africa hosts the 2010 FIFA World Cup.

Gross profit doubled from €2.1 million in 2008 to €4.2 million in 2009 on a comparable basis, reflecting a change in accounting policy on cost of sales from the 'total cost method' to the 'cost of sales' method. The effect of this change in presentation, which does not impact the reported net profit nor the balance sheet, is to reclassify certain expenses from overheads to cost of sales and to reduce the reported gross margin accordingly. The comparative figures for 2008 have been restated accordingly.

Aggregate operating expenses fell dramatically from €4.4 million in 2008 to €2.7 million in 2009. This reduction is explained in part by the rigorous reduction in general overhead expenditure put into practice after April 2008, efficiency savings, the mothballing of SolarNext and a reduction exchange rate fluctuations.

The earnings before interest and tax rose to €1 million compared to a loss of €3.2 million in 2008. Profit before tax as adjusted for three extraordinary and non-recurring items, as detailed in the following paragraph, was €1.1 million.

Extraordinary charges of €132 thousand were incurred in connection with the deconsolidation of Metal System Sp z. o.o. (in which Hightex's interest fell from 60% to 40% in December 2009) and with the liquidation of two dormant subsidiaries, Pizaul A.G. (a Swiss company), and Hightex Structures Pty. Ltd (a South African company). The two liquidations will be of benefit in future years by eliminating overhead expenditure. Additionally, the 2009 charge for amortisation of intangible assets of €162 thousand includes a non-recurring accelerated charge of €129 thousand (2008: €534 thousand) in relation to capitalised development expenditure within the SolarNext business. Finally, a charge was made in relation to the grant of options in September 2009 of €20 thousand (2008: nil).

Hightex twice raised fresh equity capital in 2009. In June, it raised approximately £0.9 million (before expenses) in a placing with both existing shareholders and new investors of 28,730,516 new ordinary shares at 3 pence each. In December 2009, it raised approximately £2.7 million (before expenses) by the issue of 38,214,291 new ordinary shares at 7 pence each. The funds provided Hightex with additional working capital and have contributed towards the planned expansion of its membrane business.

Shareholders' funds rose to €10.8 million (2008: €7.2 million) not only as a result of the new equity funds raised, but also because of this year's maiden profit. Cash balances as at 31 December 2009 were €4.6 million (2008: €2.2 million).

Solar cooling business in 2009

In February 2009, as part of its re-organisation programme Hightex announced its decision to reduce its solar cooling operations in order to conserve cash. These comprise a solar cooling and heating system in kit form able to be retro-fitted to many kinds of structures, managed by an innovative multi-function system controller. Modest revenues of €185,000 were earned in 2009 from this activity; in the year, the approximate cash outflow of this division amounted to €662,000. The development phase of both the system and the controller has been successfully completed and the products are now ready for larger scale commercialisation. The Board has set a priority for itself in 2010 to identify commercial partners in a number of geographical regions in order to unlock the intrinsic value within SolarNext for the benefit of shareholders in Hightex.

Prospects

In the second half of 2009, Hightex announced three very considerable contract wins, which collectively demonstrate that the Company is regarded as being the partner of choice in a niche but growing sector of the construction industry using innovative technology. These contracts have a combined value of over €45 million. The three contracts and their value to Hightex, are:

- the Warsaw National Stadium, Poland - fabrication and installation of main roof and façade steel structure, radial cable system, and fixed & retractable membrane system -approximately €13 million.
- the Olympic Stadium in Kiev, Ukraine - fabrication and installation of the main roof radial cable system and the complete membrane roof system - approximately €18.9 million.
- the BC Place Stadium in Vancouver, British Columbia, Canada - supply of the entire retractable roof and the fixed façade - approximately €13.4 million.

The Warsaw and Kiev contracts relate to the upgrading of the stadia for the UEFA 2012 Euro football championships.

These three contracts are expected to have a beneficial effect on Hightex's results not only for 2010 but also for 2011. It is likely that membrane revenues from these three contracts alone should approach €30 million in 2010 and that they will contribute approximately €15 million to revenues in 2011. These contracts give Hightex a record trading position and operationally strengthened recognition in the global marketplace.

Hightex continues to work on its long pipeline of potential projects within its traditional range of capability - sports stadia, shopping malls, airports and other large area structures, all of which through regulatory, environmental, design and age requirements are turning to membrane as the material of choice for future build and re-build. In particular, Hightex has now identified and is working actively with its partner in Brazil, which will be the host country of the FIFA 2014 World Cup competition and the 2016 summer Olympic Games. With the support

of its partner, Hightex will be bidding on several of the 12 football stadia which are to be refurbished or newly built, and of which over half are likely to be in membrane. The refurbishment work is likely to start as early as this year. The cyclical nature of all sports competitions ensures that the core marketplace for Hightex has evergreen qualities. Hightex also seeks smaller contracts (typically €2 million to €5 million) which can be completed within a relatively short time frame.

To cope with the larger prospective flow of work, Hightex has made several appointments. Mr Friedrich Naeher is joining Hightex as Head of Technical Project Management, to be in charge of all technical aspects of projects including engineering, fabrication and installation. He joined from Ed. Züblin AG of Stuttgart, one of the largest German contractors in the field of building construction and civil engineering. Mr Naeher, a Master of Science and a professionally registered engineer in the USA, has wide international experience on all aspects of projects and project management and brings extensive experience to the Hightex management team.

In addition two new salesmen started in January and March 2010 respectively. Hightex is also planning to recruit two to three younger engineers during 2010 in order to strengthen the engineering department for future growth.

Conclusion

In 2009, Hightex completed the turnaround of its membrane business and the Company returned to profitability. I would like to pay tribute to the considerable efforts of my colleagues on the Board as well as every member of staff for their contribution to this improved performance.

The near term prospects for the Group are underpinned by existing contracted revenues which should approach €30 million in 2010 and additionally deliver some €15 million in 2011. The balance sheet was significantly strengthened in 2009 through additional high quality institutional shareholders, recognising the strength and opportunity of the Group. New membrane contracts are being actively sought and Hightex expects to benefit from its now established reputation as an authoritative supplier of retractable roofs for stadia and other structures.

The Directors believe that the Company is now well placed to build on its improved performance and look forward to the future with optimism.

Charles DesForges
Executive Chairman

Group statement of comprehensive income
For the year ended 31 December 2009

Year ended	Year ended
2009	2008
	Restated

	Notes	€000	€000
Revenue	3	20,034	16,189
Cost of sales		(15,849)	(14,068)
Gross profit		4,185	2,121
Operating expenses:			
Selling and distribution costs		(964)	(1,132)
Research and development costs		(97)	(425)
Administrative expenses		(1,657)	(2,885)
Underlying earnings before interest, tax, depreciation, amortisation and reorganisation costs		1,467	(2,321)
Depreciation and amortisation		(465)	(854)
Earnings before interest, tax and reorganisation costs		1,002	(3,175)
Reorganisation costs	4	(132)	-
Share option charge	5	(20)	-
Interest and other income		26	229
Finance costs		(97)	(134)
Profit/(loss) before tax		779	(3,080)
Income tax charge	6	(337)	(363)
Profit/(loss) for the year		442	(3,443)

Group statement of comprehensive income (continued)

Other comprehensive income

	Notes	Year ended 2009 €000	Year ended 2008 €000
Exchange differences in translation foreign operations		(53)	376

Cash at bank and in hand	4,574	2,191
Inventories	89	134
Trade and other receivables	11,884	4,224
	<u>16,547</u>	<u>6,549</u>
Total assets	<u>24,565</u>	<u>14,758</u>
Equity and liabilities		
Shareholders' equity		
Share capital	2,548	1,776
Share premium	14,634	11,757
Accumulated losses	(6,265)	(6,687)
Translation reserve	(92)	(39)
Total equity attributable to equity holders	<u>10,825</u>	<u>6,807</u>
Non-controlling interests	-	347
	<u>10,825</u>	<u>7,154</u>
Current liabilities		
Trade payables	2,282	2,316
Accrued liabilities and deferred income	10,615	3,546
Bank overdraft	52	82
Other accounts payable	667	1,482
	<u>13,616</u>	<u>7,426</u>
Non-current liabilities		
Accrued liabilities and deferred income	80	103
Other accounts payable	44	75
	<u>124</u>	<u>178</u>
Total liabilities	<u>13,740</u>	<u>7,604</u>
Total equity and liabilities	<u>24,565</u>	<u>14,758</u>

Group statements of changes in equity
For the year ended 31 December 2009

	Share capital	Share premium	Accumu- lated losses	Translation reserve	Non- controlling interests	Total
	€000	€000	€000	€000	€000	€000
Currency translation differences	-	-	-	(53)	-	(53)
Profit for the year	-	-	402	-	40	442

Total comprehensive income for the year	-	-	402	(53)	40	389
Balance at 1 January 2009	1,776	11,757	(6,687)	(39)	347	7,154
Issued during the year	772	3,236	-	-	-	4,008
Costs of issue of shares	-	(359)	-	-	-	(359)
Deconsolidation	-	-	-	-	(387)	(387)
Share option charge	-	-	20	-	-	20
Balance at 31 December 2009	2,548	14,634	(6,265)	(92)	-	10,825

	Share capital	Share premium	Accumulated losses	Translation reserve	Non-controlling interests	Total
	€000	€000	€000	€000	€000	€000
Currency translation differences	-	-	-	376	-	376
Loss for the year	-	-	(3,529)	-	86	(3,443)
Total comprehensive income for the year	-	-	(3,529)	376	86	(3,067)
Balance at 1 January 2008	1,776	11,757	(3,158)	(415)	261	10,221
Balance at 31 December 2008	1,776	11,757	(6,687)	(39)	347	7,154

Group cash flow statement
For the year ended 31 December 2008

	Year ended 2009	Year ended 2008
	€000	€000
Cash flows from operating activities		
Profit/(loss) for the year	1,002	(3,175)
Adjustments for:		
Loss on disposal of fixed assets	(11)	(18)
Bad debts written off	68	-
Depreciation	303	272
Amortisation and impairment of intangibles	162	581
Operating cash flows before movements in working capital	1,524	(2,340)
(Increase)decrease in inventories	(105)	84
(Increase)/decrease in receivables	(7,593)	1,197
Increase in payables	6,124	795
Cash used in operating activities	(50)	(264)
Interest paid	(132)	(100)
Income tax paid	(30)	(56)
Net cash used in operating activities	(212)	(420)
Cash flows from investing activities		
Sale of subsidiary (net of cash received)	(198)	-
Acquisition of intangible assets	(129)	(269)
Acquisition of property, plant and equipment	(267)	(773)
Proceeds from disposal of property, plant and equipment	13	22
Interest received	26	211
Net cash used in investing activities	(555)	(809)
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	4,008	-
Costs of issue of shares	(359)	-
Payment of finance lease liabilities	(80)	-
Proceeds from loans	98	400
Repayment of loans	(435)	-
Net cash generated from financing activities	3,232	400
Net increase/(decrease) in cash and cash equivalents	2,465	(829)
Cash and cash equivalent at the beginning of the year	2,109	2,530

Effect of foreign exchange on cash and cash equivalent brought forward	(52)	408
Cash at bank and cash equivalent at the end of the year	<u>4,522</u>	<u>2,109</u>
Cash at bank and in hand comprises:		
Cash and cash equivalents	2,195	388
Cash lodged for advance payments	1,000	-
Cash lodged under performance and warranty bonds	1,379	1,721
Bank overdrafts	<u>(52)</u>	<u>-</u>
	<u>4,522</u>	<u>2,109</u>

NOTES TO THE FINANCIAL INFORMATION

For the year ended 31 December 2009

1 Basis of preparation

The financial information set out in this preliminary unaudited results announcement does not constitute the Group's financial statements for the year ended 31 December 2009.

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), IFRIC interpretations and with those parts of the Companies Act 2006 applicable to companies preparing their accounts under IFRS and using the accounting policies which are consistent with those adopted in the interim results for the six months ended 30 June 2009. The financial statements have been prepared under the historical cost convention, as modified by revaluations of financial assets and financial liabilities at fair value through the income statement.

The auditors have yet to sign their report on the 2009 financial statements. The financial statements for the year ended 31 December 2009 will be finalised on the basis of the financial information presented by the Directors in this preliminary announcement. Whilst the auditors have not yet reported on the financial statements for the year ended 31 December 2009, they anticipate issuing an unqualified report.

The financial information for the year ended 31 December 2008 is derived from the financial statements for that year. The auditors have reported on the 2008 financial statements, their report was unqualified.

The financial information set out in this announcement was approved by the board on 14 April 2010.

The Group financial information is presented in Euros ("€") because the Group is expected to transact more of its business in Euros than any other currency.

The directors do not propose a dividend in respect of the year ended 31 December 2009 (2008: nil).

2. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 December each year. The results of subsidiaries acquired or disposed of during the year are dealt with in the consolidated income statement from or up to their effective dates of acquisition or disposal respectively. Control is normally evidenced when the Company, or a company which it controls, owns more than 50% of the voting rights of a company's share capital.

The income statement has been prepared according to the 'Cost of sales' method of allocating costs to projects (2008: 'Total cost' method and comparative figures have been re-stated to reflect this change). The prior year figures were adjusted. This has an effect on the gross margin and the operating expenses of the Group. The effect of the restatements in the 2008 comparative figures is as follows:

	Previously reported		Restated
2008	€000	€000	€000
Gross profit/(loss)	5,548	(3,427)	2,121
Other operating expenses	(8,723)	3,427	(5,296)
Operating result	(3,175)	-	(3,175)

All inter-company transactions and balances within the Group are eliminated on consolidation.

Control is normally evidenced when the Company, or a company which it controls, owns more than 50% of the voting rights of a company's share capital.

3. Business segments

The Group has adopted IFRS 8 Operating Segments with effect from 1 January 2009. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker as defined in IFRS 8, in order to allocate resources to the segment and to assess its performance. The operating segments are based on reports reviewed and used by the Chief Operating Decision Maker ("CODM") maker for strategic discussion making and resource allocation. The Group's reportable operating segments are as follows:

- i) Membrane Business
- ii) Metal working Business
- iii) Solar Business

The CODM monitors the operating results of each segment for the purpose of performance assessments and making decisions on resource allocation. Performance is based on external and internal revenue generations and profit before tax, which the CODM believes are the most relevant in evaluating the results relative to other entities in the industry. Segment assets and liabilities are presented inclusive of inter segment balances, as inter-segment pricing.

Information regarding each of the operations of each reportable segments is included below.

	Membrane Business	Metal- working Business	Solar Business	Consoli- dation	Total
2008	€000	€000	€000	€000	€000
External revenue	13,696	1,967	526	-	16,189
Internal revenue	1,884	117	17	(2,018)	-
Total revenue	<u>15,580</u>	<u>2,084</u>	<u>543</u>	<u>(2,018)</u>	<u>16,189</u>
Earnings before tax (EBT)	(6,665)	278	(1,411)	4,722	(3,080)
Assets	(i) 16,760	1,147	299	(ii) (3,448)	14,758
Liabilities	9,083	439	1,495	(ii) (3,413)	7,604

(i) The assets of the membrane business include goodwill on consolidation of €6,627,000.

(ii) Elimination of intercompany accounts.

	Membrane Business	Metal- working Business	Solar Business	Consoli- dation	Total
2009	€000	€000	€000	€000	€000
External revenue	18,338	1,522	174	-	20,034
Internal revenue	2,885	222	11	(3,118)	-
Total revenue	<u>21,223</u>	<u>1,744</u>	<u>185</u>	<u>(3,118)</u>	<u>20,034</u>

Earnings before tax (EBT)	1,232	(15)	(492)	35	760
Assets	(i) 28,597	-	331	(ii) (4,363)	24,565
Liabilities	16,123	-	2,020	(ii) (4,363)	13,780

(i) The assets of membrane business are including the goodwill on consolidation of €6,722,000 (2008: €6,627,000).

(ii) Elimination of intercompany accounts.

4. Reorganisation costs

Reorganisation costs are as follows:

	2009	2008
	€'000	€'000
Gain on liquidation of Pizaul AG	(11)	-
Gain on closure of Hightex Structures plc	(1)	-
Loss on disposal of 20% of Metal System Sp z.o.o	144	-
	<u>132</u>	<u>-</u>

Further details are set out below:

Pizaul AG, Switzerland

The company was placed legal administration since September 2009 and was liquidated in January 2010.

The results of Pizaul AG have been included in the consolidated financial statements until the date effective control was lost. The results are as follows:

	2009	2008
	€000	€000
Research and development costs	(8)	37
Administrative expenses	(4)	14
Profit/(loss) for the period	<u>(12)</u>	<u>51</u>
Gain on disposal	<u>11</u>	<u>-</u>

Hightex Structures Pty. Ltd, South Africa
The company was closed in December 2009

The results of Hightex Structures Pty. Ltd have been included in the consolidated financial statements until the date effective control was lost. The results are as follows:

	2009 €000	2008 €000
Cost of sales	1	3
Administrative expenses	(2)	11
Profit/(loss) for the period	<u>(1)</u>	<u>14</u>
Gain/(loss) from disposal	<u>1</u>	<u>-</u>

Metal System Sp z.o.o, Poland

At the period end the Group disposed of 20% of the share capital of Metal System Sp 2.0.0 (MSK), thereby reduce its holding from 60% to 40% and meaning that Hightex Group Plc no longer had effective control of MSK. MSK manufactures steel structures and components.

The results of MSK have been included in the consolidated financial statements until the date effective control was lost and it became an associate of the Group.

The results are as follows:

	2009 €'000	2008 €'000
Revenue	1,744	2,084
Cost of sales	(1,062)	(1,270)
Administrative expenses	(490)	(490)
Depreciation and amortisation	(62)	(51)
Financial costs	-	(4)
Income tax	(25)	(53)
Profit for the year/ period	<u>105</u>	<u>216</u>
Loss from disposal	<u>(144)</u>	<u>-</u>

The net assets disposed of are as follows:

	2009 €000	2008 €000
Total assets 20% thereof	205	-
Total liabilities 20% thereof	(41)	-
Net assets disposed	<u>164</u>	<u>-</u>
Goodwill disposed of	<u>(20)</u>	<u>-</u>
Loss on disposal	<u>144</u>	<u>-</u>

No consideration was received upon disposal.

5. Share capital

a) Issued

	Number of shares	Share capital €000	Share premium €000
At 1 January 2009	119,652,582	1,776	11,757
Issued 11 June 2009	28,730,516	325	642
Issued 28 September 2009	1,250,000	14	28
Issued 10 December 2009	32,658,641	368	2,195
Issued 22 December 2009	5,555,650	65	371
Share issue costs			(359)
At 31 December 2009	187,847,389	2,548	14,634

On 11 June 2009, Hightex placed 28,730,516 new ordinary shares at a placing price of 3 pence per share, raising £861,915 for the company.

On 28 September 2009, Hightex allotted 1,250,000 new ordinary shares at a placing price of 3 pence per share to Charles Sebag-Montefiore, a Director of the company, in lieu of cash in settlement of Director's fees.

On 10 December 2009, Hightex placed 32,658,641 new ordinary shares at a placing price of 7 pence per share, raising £2,286,105 for the company.

On 22 December 2009, Hightex placed 5,555,650 new ordinary shares at a placing price of 7 pence per share, raising £388,895 for the company.

b) Share options

	Number of shares	Weighted average exercise price per share	Weighted average remaining contractual life (years)
Balance at 1 January 2009 - exercisable	-	-	-
Options granted in the year - exercisable	6,450,000	8.6p	2.75
Balance at 31 December 2009 - exercisable	6,450,000	8.6p	2.75
Balance at 31 December 2008 - exercisable	-	-	-

The fair value of the share options granted has been calculated using a bi-nominal option-pricing model individually applied to each category of options granted and modified by the application of a Monte Carlo simulation to reflect the calculated uncertainties of the share pricing triggering the relevant target prices and to adjust the "vesting" period to the theoretical time over which the share price might be expected to achieve the relevant market facing conditions. The inputs into the model were as follows:

Share price	8.6p
Exercise price	8.6p
Expected volatility	30%
Expected life	9 years
Risk free rate	1%
Number of steps	5
Exercise factor	100%
Minimum market price	12p

The expected volatility represents management's best estimate given the lack of historical information available regarding share price volatility.

The expected life of the options is based on historical data available at the time of the option issue and is not necessarily indicative of future trends, which may not necessarily be the actual outcome.

The share option scheme is an equity settled plan and fair value is measured at the grant date of the option.

6 Taxation

	Year ended 2009 £'000	Year ended 2008 €000
Current taxation	230	44
Deferred taxation	107	319
Corporate taxation charge	<u>337</u>	<u>363</u>

The deferred taxation credit arose in previous years on losses recognised across the Group.

Analysis of factors influencing the tax charge:

	Year ended 2009 €000	Year ended 2008 €000
Net profit/(loss) before taxation	<u>779</u>	<u>(3,080)</u>
Profit/(loss) on ordinary activities at 27% (2008: 27%)	210	(832)
Tax rate differences	30	(239)
Losses carried forward	92	1,427
Deferred tax adjustments	-	35
Other adjustments	<u>5</u>	<u>(28)</u>
Corporate taxation charge	<u>337</u>	<u>363</u>

The rate of taxation on ordinary activities of 27% is derived from the composite rate of tax applicable in Germany, which is where the majority of the Group's operational activities take place.

7. Earnings per share

Basic and diluted earnings/(loss)

The basic and diluted earnings/(loss) per share is calculated by reference to the earnings attributable to ordinary shareholders divided by the number of shares in issues as at 31 December as follows:

	2009	2008
Profit/(loss) attributable to equity holders of the Company	€402,000	(€3,529,000)
	Number of shares	Number of shares
Weighted average number of shares for the purpose of calculating basic earnings per share	137,998,776	119,652,582
Effect of potential ordinary shares		
Share options	-	-
Warrants	-	-
Weighted average number of shares for the purpose of calculating diluted earnings per share	137,998,776	119,652,582
Basic earnings/(loss) per share based on the weighted average issued share capital as at 31 December	0.29 cents	(2.95) cents
Diluted earnings/(loss) per share based on weighted average issued share capital as at 31 December	0.29 cents	(2.95) cents

8. Intangible fixed assets

Movements in the cost, amortisation and net book value of the assets are as follows:

	Development costs €000	Software costs €000	Total €000
Cost			

As at 1 January 2009	541	229	770
Additions	129	-	129
Disposal	-	(11)	(11)
	<u>670</u>	<u>218</u>	<u>888</u>
Accumulated amortisation			
As at 1 January 2009	(541)	(138)	(679)
Charge for the year	(129)	(33)	(162)
Disposal	-	11	11
	<u>(670)</u>	<u>(160)</u>	<u>(830)</u>
Net book value			
As at 31 December 2008	-	91	91
As at 31 December 2009	-	58	58

9. Commitments under operating leases

As at 31 December, the Group had annual commitments under non-cancellable operating leases as follows:

	2009	2008
	€000	€000
Land and buildings:		
Expiring within one year	263	268
Expiring after more than two years	<u>289</u>	<u>552</u>
	<u>552</u>	<u>820</u>
Other:		
Expiring within one year	3	23
Expiring after more than two years	<u>4</u>	<u>20</u>
	<u>7</u>	<u>43</u>

10. Contingent liabilities

At 31 December, the Group had contingent liabilities under contracted performance, warranty bonds and advance payments as follows:

2009	2008
€000	€000

Total contingent liabilities under advance payments	1,000	-
Total contingent liabilities under performance bonds and warranties	<u>1,379</u>	<u>1,721</u>
	<u>2,379</u>	<u>1,721</u>

Included within cash at bank and in hand in the balance sheet is aggregate cash of €2,379,000 (2008: €1,721,000) lodged under the terms of performance, warranty bonds and advance payments. Access to cash balances lodged under the terms of such bonds is restricted.

11. Nature of financial information

These preliminary results will be available from 16 April 2010 on the Company's website www.hightexworld.com. Further copies can be obtained from the registered office at Masters House, 107 Hammersmith Road, London, W14 0QH.

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